



U.S. Department
of Transportation

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Bureau of
Transportation Statistics

Worksheet for Calculating Carrier Classification (Motor Carriers of Passengers)

March 16, 1999

What Is This About?

This is to help you determine your carrier classification, which affects the reporting requirements of Form MP-1.

Carrier Classification and Reporting Requirements

Motor carriers of passengers are classified based on their adjusted annual operating revenue. Carrier classification, in turn, determines what reports are required by BTS. We are providing the worksheet below for your convenience to help you calculate your carrier classification. If your classification has changed or is incorrect, please contact us. We will make any necessary adjustments and give you further instructions on any filing requirements. You are not required to return the completed form.

Classification	Adjusted annual operating revenue	Reports required by law
Class I	\$5 million or greater	Form MP-1, annual and quarterly
Class II	less than \$5 million	none

How to calculate your carrier classification

Upward and downward classification will be effective as of January 1 of the year immediately following the **third consecutive year** that your revenue qualifies. The steps in calculating your carrier classification are as follows:

1. Calculate your annual operating revenues. This is revenue from passenger motor carrier operations, including interstate, intrastate, and local service.
2. Multiply this figure by the revenue deflator. In Table 1, we have calculated the revenue deflator for you. The revenue deflator is the 1994 average producers price index of finished goods (PPI) divided by the revenue year's average PPI, as shown in Table 2. Table 3 is an example calculation. This carrier would be a class II because of its 1997 revenue. If 1999 and 2000 surpass \$5 million, it will be reclassified as a class I in 2001.

Table 1

	Annual operating revenue	x	Revenue deflator	=	Adjusted annual operating revenue
1996	\$ _____	x	.95	=	\$ _____
1997	\$ _____	x	.95	=	\$ _____
1998	\$ _____	x	.96	=	\$ _____

Table 2

	Producers price index	Revenue deflator
1994	125.0	1.00
1995	127.0	.98
1996	131.3	.95
1997	131.8	.95
1998	130.6	.96

Table 3

	Annual operating revenue	x	Revenue deflator	=	Adjusted annual operating revenue
1996	\$5,475,000	x	.95	=	\$5,201,250
1997	\$4,795,000	x	.95	=	\$4,555,250
1998	\$5,345,000	x	.96	=	\$5,131,200